Wall Street drifts towards Thanksgiving as Tiffany's sparkles

It was another lukewarm start to trading on Wall Street as punters held fire ahead of America's favourite holiday, Thanksgiving.

Traders are already putting their feet up for Thursday's day off, with stocks little changed. The S&P 500 was 0.1% higher at 1,804, while the Dow Jones edged up to 16,094.

Upmarket jeweller Tiffany's, whose most famous fan was actress Audrey Hepburn, smashed Wall Street's expectations in the third quarter with a 50% rise in profits to $95mln on revenue of $912mln, up from $853mln. The shares sparkled 7% higher at $86.82 each after the opening bell.

Jos. A. Bank shares jumped 12% after Men's Wearhouse bid $1.5bn for the men's clothing retailer.

It comes two weeks after Jos. A. Bank walked away from a $2.3bn buyout of Men's Wearhouse, which has turned the tables on its suitor.

Embattled computer group Hewlett-Packard is the biggest name on the reporting roster, with a continued decline in profit and sales expected after the market closes. The shares were flat at $25.35 each in early deals.

Car manufacturer Chrysler has put the brakes on plans for an IPO, with Italian owner Fiat announcing that the stock market move will not go ahead in 2013.

UK Markets

Some of London's biggest stocks weighed down the FTSE 100 on Tuesday as the benchmark index struggles to break the 6,700 barrier.

Brewing giant SABMiller (LON:SAB), commodities heavyweight Glencore Xstrata (LON:GLEN), mining behemoth Anglo American (LON:AAL), cruise ship operator Carnival (LON:CCL) and Tesco (LON:TSCO), the world's third biggest retailer, were the top five losers on the FTSE 100; all have market capitalisations of more than £15bn.

Peroni and Grolsch brewer SABMiller and Smirnoff-to-Johnnie Walker group Diageo (LON:DGE), down 2.2% and 1% respectively, were hit by a profit warning at Rémy Cointreau.

Their French spirits rival blamed a slowdown in China for the double-digit fall in operating profit.

Consumer goods giant Unilever (LON:ULVR), which already admitted a slowdown in China was taking its toll, edged 0.9% lower at £24.85.

Burberry (LON:BRBY) investors shrugged off the concerns despite counting the Chinese as the biggest fans of its luxury brand clothing. It rose 0.7% to £15.08 a share.

Water and waste group Severn Trent (LON:SVT) fell 1.5% as its underlying profits dipped. It did not stop it from lifting the dividend by 6% though.
Construction and engineering stocks stemmed the decline as Plumb Center owner Wolseley (LON:WOS) topped the index, up 2.8%, followed closely by engineering services group Babcock (LON:BAB).

The FTSE 100 lost a third of a per cent (21 points) to 6,672, with 6,700 seeming like a tough barrier to break through as we approach December.

Wall Street traded flat on Monday, having set new records consistently over the past month, with another tepid start on Tuesday failing to spark life into London's stocks.

Toby Morris from CMC Markets says: "Given the recent reliance on US markets for a sense of direction, it's little surprise that the lemmings of Europe appear to have put trading on hold this morning, with Indices broadly flat."

He points out that volumes are unusually low for November, noting that yesterday was the fourth quietest day for 2013 in terms of trading volumes on the FTSE Eurofirst 300.

Robinsons squash maker Britvic (LON:BVIC) trickled 3% higher when it revealed full-year revenue growth of 4.4% and pre-tax profits up 27%.

The company also unveiled a 15-year bottling deal with PepsiCo Americas Beverages to launch Fruit Shoot in 41 states next year.

Upbeat numbers from Mitchells & Butlers (LON:MAB) lifted the pub operator by 6%.

Britain's listed web casino operators are hailing the start of a new era as online poker becomes legal in the state of New Jersey, home to the gambling mecca of Atlantic City.

FTSE 250 constituents 888 Holdings (LON:888) and Bwin.party (LON:BPTY) have both fully launched their casino and poker brands in the US state as punters there began gambling online as of Tuesday.

888casino and 888Poker have gone live, as has Bwin's partypoker brand, while Betfair (LON:BET) is also making the most of the looser regulations.

888 shares rose 1.6% to 162.9p, Bwin's stock traded flat at 128p, while Betfair picked up 0.9% to £10.24 a share.

A sharp rise in the shares of Manroy (LON:MAN) has obliged the UK defence contractor to reveal it is preliminary bid talks with three suitors.

The company said it is in "very preliminary talks" with Herstal, Beretta Holding and US Ordnance, prompting a 35% rise in the share price to 76p.

Elsewhere in the small-cap universe, medical devices group Sphere Medical (LON:SPHR) climbed 22% and Edenville Energy (LON:EDL) jumped 17%.
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